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AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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October 27, 2005

TO: Supervisor Gloria Molina, Chair  
Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley  
Auditor-Controller 

SUBJECT: **LOS ANGELES URBAN LEAGUE CONTRACT REVIEW –  
WORKFORCE INVESTMENT ACT (WIA) ADULT AND WIA  
DISLOCATED WORKER PROGRAMS**

We have completed a contract compliance review of the Los Angeles Urban League (Urban League). Urban League is a service provider for both the Workforce Investment Act (WIA) Adult Program and the WIA Dislocated Worker Program. The review was conducted by the Auditor-Controller's Countywide Contract Monitoring Division.

**Background**

The Department of Community and Senior Services (DCSS) contracts with Urban League, a private, non-profit, community-based organization, to assist individuals obtain employment, retain their jobs and increase their earnings. The types of services provided by Urban League include occupational skills training, job placement and career planning. Urban League's offices are located in the First and Second Districts. Urban League is compensated on a cost reimbursement basis. For Fiscal Year 2004-2005, DCSS paid Urban League approximately \$2,600,000.

**Purpose/Methodology**

The purpose of the review was to determine whether Urban League is providing the services outlined in their County contract to eligible individuals, and if Urban League is complying with WIA guidelines and regulations. Our monitoring visit included a review

*"To Enrich Lives Through Effective and Caring Service"*

of Urban League's participant case files and interviews with program participants, participant employers, participant training institutes and Urban League staff.

### **Results of Review**

Generally, Urban League provided occupational skills training, job placement and career planning services in accordance with the County contract and WIA guidelines. In addition, the individuals that we interviewed acknowledged that the billed services were received.

For one (2%) of the 49 program participants, Urban League overpaid the participant's training institute \$450 and allowed the participant to keep the \$450 refund. Urban League stated that allowing the participant to keep the \$450 refund was in error and agreed to repay DCSS the \$450.

We also found that Urban League enrolled approximately 35% more participants than their targeted performance levels. DCSS should review Urban League's final enrollment totals for FY 2004-2005, to evaluate the appropriateness of the Agency's future staffing levels.

Details of our review, along with recommendations for corrective action, are attached.

### **Review of Report**

On May 24, 2005, we discussed our report with Urban League. In their attached response, Urban League indicated that they will return the \$450 to DCSS. We also notified DCSS of the results of our review.

We thank Urban League for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM: MMO: DC

Attachment

c: David E. Janssen, Chief Administrative Officer  
Cynthia Banks, Chief Deputy Director, Department of Community and Senior Services  
Munzel Johnson, Executive Director, Los Angeles Urban League—Los Angeles  
Public Information Office  
Audit Committee

**WORKFORCE INVESTMENT ACT  
ADULT & DISLOCATED WORKER PROGRAMS  
FISCAL YEAR 2004-2005  
LOS ANGELES URBAN LEAGUE**

**ELIGIBILITY**

**Objective**

Determine whether the Los Angeles Urban League (Urban League) provided services to individuals that meet the eligibility requirements of the Workforce Investment Act (WIA) Adult Program and the WIA Dislocated Worker Program.

**Verification**

We selected a sample of 47 program participants from a total of 316 participants that received services from Urban League between July 2004 and February 2005. In addition, we selected two program participants that were listed on Urban League's Fiscal Year (FY) 2004-2005 billings, but received services in a prior fiscal year. We reviewed the 49 case files for documentation to confirm their eligibility for WIA Adult or WIA Dislocated Worker Program services.

**Results**

Each of the case files contained documentation to confirm the participant's eligibility to receive program services.

**Recommendation**

**There are no recommendations in this section.**

**BILLED SERVICES/CLIENT VERIFICATION**

**Objective**

Determine whether Urban League provided the services in accordance with the County contract and WIA guidelines and whether the services that Urban League billed DCSS were actually provided.

**Verification**

We selected a sample of 49 program participants and reviewed their case files for documentation of the types of services the participants received and whether the services were provided in accordance with WIA guidelines. We also interviewed 27 program participants and contacted 22 program employers.

**Results**

Generally, Urban League provided occupational skills training, job placement and career planning services in accordance with the County contract and WIA guidelines. Each of the participants and employers confirmed that the services the Urban League billed DCSS were provided. In addition, each of the participants indicated that they were satisfied with the services they had received from Urban League.

For one (2%) of the 49 program participants, Urban League overpaid the participant's training institute \$450 and allowed the participant to keep the \$450 refund. Urban League needs to return the overpayment to DCSS.

**Recommendation**

1. Urban League management return the \$450 overpayment to DCSS.

**PROGRAM OUTCOME PERFORMANCE****Objective**

Determine whether Urban League attained their targeted performance levels for program enrollment.

**Verification**

We reviewed mid-year enrollment data for FY 2004-2005.

**Results**

For the first six months of FY 2004-2005, Urban League's Adult and Dislocated Worker Programs exceeded their targeted performance levels for program participant enrollment. During this timeframe, the Adult Program was required to enroll 101 new program participants, their actual enrollment was 126. The Dislocated Worker Program was required to enroll 112 new program participants, their actual enrollment was 165.

As previously noted, Urban League provided occupational skills training and other services in accordance with the County contract. In addition, the program participants interviewed stated that they were satisfied with the services they received from Urban League.

However, a 35% increase in enrollment for the Adult and Dislocated Worker Programs, while maintaining planned staffing levels, may impact the quality of services Urban League provides to the program participants over the long term. DCSS should review Urban League's final enrollment totals for FY 2004-2005, to evaluate the appropriateness of the Agency's future staffing levels.

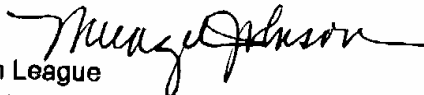
**Recommendation**

There are no recommendations for this section.

# Los Angeles Urban League

**DATE:** September 6, 2005

**TO:** J. Tyler McCauley  
Auditor-Controller

**FROM:** Munzel Johnson   
Los Angeles Urban League  
Director, Operations

**SUBJECT:** Los Angeles Urban League Contract Review  
Adult & Dislocated Worker Programs  
Fiscal Year 2004-2005

In response to the contract review conducted and recommendations given by the Auditor-Controller in the 2004-2005 final draft report, the management of the Los Angeles Urban League offers the following response to the recommendation:

## **RECOMMENDATIONS**

1. Return the \$450 overpayment to DCSS.

## **RESPONSE**

*The Dislocated Worker referenced in this finding received training through WIA. As required, the participant applied for a Pell Grant to supplement the cost of training, and the Case Manager was also able to negotiate a reduction in the tuition costs. The participant was eventually awarded the Pell Grant which was paid to the training provider. The reduced tuition created a credit on the training account in the amount of \$450.00. The training provider, in error, sent the overpayment of tuition to the participant. The LAUL will return the \$450.00 to DCSS.*

If you have further questions, or need additional documentation, please contact me at (323) 600-1130.

Munzel Johnson  
Director, Operations  
LAUL WorkSource Business & Career Center  
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Los Angeles, CA 90061